

# SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

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Bill Number: AB 1122

Related Bills: See Prior Analysis

Telephone: 845-7478

Amended Date: April 4, 2001

Attorney: Patrick Kusiak

Sponsor: \_\_\_\_\_

**SUBJECT:** Change "Bank And Corporation Tax Law" to "Corporation Tax Law" Technical Change/Electronic Postmarks

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

☒ AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced February 23, 2001.

☒ FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED FEBRUARY 23, 2001, STILL APPLIES.

OTHER - See comments below.

## SUMMARY

This Franchise Tax Board sponsored bill would:

- rename the "Bank and Corporation Tax Law" as the "Corporation Tax Law," and
- make California law substantially the same as the federal law that permits electronic postmarks to be proof of the date an e-file return is filed.

## SUMMARY OF AMENDMENT

The April 4, 2001, amendments made a technical change to clarify that California conforms to the federal regulations regarding electronic postmarks as of the January 10, 2001, final revisions to those regulations. The amendments also made minor grammatical changes.

The April 4 amendments did not resolve the concerns identified in the department's analysis of the bill as introduced February 23, 2001. The unresolved technical concerns are provided below. The remainder of the department's analysis of the bill as introduced on February 23, 2001, still applies.

Board Position:

<input checked="" type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Legislative Director

Date

Brian Putler

05/22/01

## **POSITION**

Support.

At its December 18, 2000, meeting, FTB voted 2-0 to sponsor the language introduced in this legislation.

### **Summary of Suggested Amendments**

The attached amendments would resolve the department's technical concerns discussed below.

## **TECHNICAL CONSIDERATIONS**

### **Bank and Corporation Tax Law Changes**

Amendments 1 and 7 are provided to rename Part 11 of Division 2 (and Chapter 2 of the same division) of the R&TC. Amendments 2, 5, and 6 are provided to renumber the sections of the bill.

### **Electronic Postmarks**

For consistency within the R&TC, Amendments 3 and 4 are provided to include an additional cross-reference.

## **LEGISLATIVE STAFF CONTACT**

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FRANCHISE TAX BOARD'S  
PROPOSED AMENDMENTS TO AB 1122  
As Amended April 4, 2001

AMENDMENT 1

On page 6, line 1, after "SEC. 7.", insert:

Part 11 of Division 2 of the Revenue and Taxation Code is amended to be entitled:  
"Corporation Tax Law"

Sec. 8

AMENDMENT 2

On page 6, line 31, strikeout "SEC. 8.", and insert:

SEC. 9.

AMENDMENT 3

On page 6, modify line 34 as follows:

Section 17001), Part 10.2 (commencing with Section 18401), Part 11 (commencing with Section 23001), or this

AMENDMENT 4

On page 6, modify line 37 as follows:

(commencing with Section 17001), Part 10.2 (commencing with Section 18401), Part 11 (commencing with

AMENDMENT 5

On page 7, line 22, strikeout "SEC. 9.", and insert:

SEC. 10.

AMENDMENT 6

On page 7, line 26, strikeout "SEC. 10.", and insert:

SEC. 11.

AMENDMENT 7

On page 7, line 36, strikeout "SEC. 11.", and insert:

SEC. 12. Chapter 2 of Part 11 of Division 2 of the Revenue and Taxation Code to be entitled:

"The Corporation Franchise Tax"

Sec. 13.